



Bureau of Labor Statistics

Chicago, Ill. 60604

General Information: (312) 353-1880

Media Contact: Ronald M. Guzicki
(312) 353-1138

Fax-on-Demand Document No. 9207

Internet Address:

<http://stats.bls.gov/ro5news.htm>

TRANSMISSION OF MATERIAL IN
THIS RELEASE IS EMBARGOED UNTIL
7:30 A.M. CST
Friday, February 18, 2000

Consumer Price Index for Milwaukee-Racine, WI Second Half 1999 Semiannual Average and 1999 Annual Averages

Prices paid by Milwaukee area consumers were higher by 1.2 percent in the 2nd half of 1999 compared with 1st half levels, according to a report issued today by the Bureau of Labor Statistics of the U.S. Department of Labor. The 2nd half 1999 semiannual average Consumer Price Index for All Urban Consumers (CPI-U) stood at 164.6 (1982-84=100). Milwaukee's CPI-U increased 2.1 percent in 1999 compared with the 1998 annual average. This annual average gain followed increases of 1.9 percent and 1.6 percent in 1997 and 1998, respectively.

Peter J. Hebein, Regional Commissioner for the Bureau in Chicago, stated that six of eight consumer expenditure categories registered gains during the 2nd half of 1999. Increases in the components for transportation and apparel had the most effect, accounting for nearly three fifths of the all items increase. Remaining components posting increases included food and beverages, education and communication, medical care, and recreation. The housing component was unchanged from the 1st half and the other goods and services component recorded a small decline.

The food and beverages component rose 1.3 percent during the 2nd half of 1999 primarily as a result of a 2.2 percent increase in the food at home index (grocery food). Accounting for the remainder of the gain were increases in the cost of food away from home (dining out), 0.2 percent, and alcoholic beverages, 2.9 percent. On an annual average basis, the food and beverages component was higher by 3.9 percent in 1999 compared with 1998. This gain followed smaller increases of 1.7 percent and 1.9 percent in the two prior annual average periods (1997 and 1998). The cost of grocery food advanced 2.9 percent in 1999 and the cost of dining out was up 5.0 percent.

The housing component registered no change in the 2nd half of 1999 as a 0.3 percent increase in the shelter index and 1.3 percent increase in the fuels and utilities index were offset by a 4.2 percent drop in the household furnishings and operation index. For all of 1999, housing costs rose 1.7 percent following a 2.4 percent rise in 1998. Within the housing component, the cost of shelter increased

2.2 percent, fuel and utility costs declined 0.2 percent, and the cost of household furnishings and operation fell 0.6 percent.

The apparel component increased 7.0 percent in the 2nd half of 1999. For all of 1999, the apparel index was down 1.6 percent compared with its 1998 level.

Transportation costs rose 2.0 percent over their 1st half 1999 levels as a result of a 16.6 percent hike in gasoline prices. For all of 1999, transportation costs were up 1.2 percent following a 2.0 percent decline in 1998. Gasoline prices were up 6.4 percent in 1999 following setbacks in each of the two previous years.

During the 2nd half of 1999, the medical care component rose 1.3 percent. For the calendar year, medical care costs rose 4.9 percent after climbing 4.0 percent in the prior annual period.

The component for recreation rose 1.2 percent in the last six months of 1999, resulting in an annual average gain of 1.1 percent. The education and communication component increased 2.3 percent during the 2nd half of last year, and on an annual average basis, posted a 1.0 percent gain. The other goods and services component fell 0.8 percent in the last half of 1999. This component stood 7.1 percent above its 1998 average level following a 7.3 percent advance in the prior annual period.

#

CPI HOTLINE SERVICE PROVIDES LATEST INDEXES 24 HOURS A DAY

The all items CPI-U and CPI-W for the U. S. City Average and for the Milwaukee area are available to the public 24 hours a day, 7 days a week through the Bureau's CPI Hotline service. This recorded message also provides percent changes from the prior period and from a year earlier as well as the schedule release date for the next CPI issuance. The Hotline number in Milwaukee is (414) 276-2579.

BLS FAX-ON-DEMAND SERVICE OFFERS CPI DATA 24 HOURS A DAY

If you have a fax machine and a touch-tone telephone, you can order current and historical CPI data and receive it within minutes by fax. The BLS Fax-on-Demand service offers over 280 documents containing the most popular BLS data including more than 65 documents containing CPI data for the nation, four regions, and 30 metropolitan areas. To receive by fax a catalog of documents available on the service, call 312 353-1880, select menu option 1, and when prompted, order document 1000.

BRIEF EXPLANATION OF THE CPI

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPI's for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 80 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 32 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Prices are collected in 85 urban areas across the country from about 57,000 housing units and Approximately 19,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index. Prices of food, fuels and a few other items are obtained every month in all 85 locations. Prices of most other commodities and services are collected every month in the five largest geographic areas and every other month in other areas. Prices of most goods and services are obtained by personal visits of the Bureau's trained representatives. Mail questionnaires are used to obtain utility rates, some fuel prices, and certain other items.

In calculating the index, price changes for the various items in each location are averaged together with weights, which represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Separate indexes are also published by size of city, by region of the country, for cross-classifications of regions and population-size classes, and for 27 local areas. Area indexes do not measure differences in the level of prices among cities; they only measure the average change in prices for each area since the base period.

The index measures price change from a designated reference date- 1982-84-which equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: The price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65.

For further details see BLS Handbook of Methods, Bulletin 2490, Chapter 17, April 1997 The Consumer Price Index.

Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods

Milwaukee-Racine, WI (1982-84=100 unless otherwise noted)

Item and Group	Semiannual average indexes		Percent change to 2nd half 1999 from—	
	1st half 1999	2nd half 1999	2nd half 1998	1st half 1999
Expenditure category				
All items	162.7	164.6	2.2	1.2
All items (1967=100)	502.6	508.2	-	-
Food and beverages	162.7	164.8	4.0	1.3
Food	163.6	165.6	3.8	1.2
Food at home	158.9	162.4	4.4	2.2
Food away from home	171.1	171.5	2.8	.2
Alcoholic beverages	156.0	160.6	6.8	2.9
Housing	162.6	162.6	1.2	.0
Shelter	196.4	197.0	1.7	.3
Rent of primary residence	172.9	173.3	1.3	.2
Owners' equivalent rent of primary residence ¹	208.1	209.6	1.6	.7
Fuels and utilities	111.7	113.1	1.3	1.3
Fuels	95.3	95.8	1.4	.5
Gas (piped) and electricity	99.8	99.9	.9	.1
Electricity	107.4	108.9	-.7	1.4
Utility natural gas service	90.7	89.1	3.1	-1.8
Household furnishings and operations	115.6	110.8	-2.8	-4.2
Apparel	112.8	120.7	1.5	7.0
Transportation	141.1	143.9	2.3	2.0
Private transportation	133.5	136.1	1.9	1.9
Motor fuel	94.4	110.1	16.5	16.6
Gasoline (all types)	93.3	108.8	16.5	16.6
Gasoline, unleaded regular ²	94.5	110.9	17.0	17.4
Gasoline, unleaded midgrade ^{2 3}	99.9	115.7	16.0	15.8
Gasoline, unleaded premium ²	89.4	102.9	15.5	15.1
Medical care	249.9	253.2	4.4	1.3
Recreation ⁴	100.5	101.7	2.1	1.2
Education and communication ⁴	99.9	102.2	1.9	2.3
Other goods and services	260.3	258.1	4.1	-.8
Commodity and service group				
All items	162.7	164.6	2.2	1.2
Commodities	139.0	141.2	2.0	1.6
Commodities less food and beverages	126.0	128.1	.9	1.7
Nondurables less food and beverages	131.6	137.6	4.2	4.6
Durables	120.1	118.4	-2.5	-1.4
Services	185.7	187.2	2.4	.8
Special aggregate indexes				
All items less medical care	158.7	160.4	2.0	1.1
All items less shelter	151.9	154.1	2.5	1.4
Commodities less food	127.1	129.3	1.1	1.7
Nondurables	147.4	151.6	4.0	2.8
Nondurables less food	132.9	138.9	4.4	4.5
Services less rent of shelter ¹	181.6	184.0	3.1	1.3
Services less medical care services	180.5	181.8	2.0	.7
Energy	96.0	102.3	7.1	6.6
All items less energy	172.1	173.4	1.9	.8
All items less food and energy	174.0	175.2	1.6	.7

¹ Index is on a November 1982=100 base.

² Special index based on a substantially smaller sample.

³ Indexes on a December 1993=100 base.

⁴ Indexes on a December 1997=100 base.

- Data not available.